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Downtown Center Business Improvement
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CRANES ACROSS THE SKYLINE: DOWNTOWN LOS ANGELES EXPERIENCING UNPRECEDENTED CONSTRUCTION

The DCBID Q1 2015 Market Report confirms new Hotels, Apartments, Condos, and Retail and Office Spaces are Underway

(Downtown Los Angeles, CA – July 1, 2015) – The Downtown Center Business Improvement District's [DCBID] Q1 2015 Market Report, which was released today, reveals that Downtown L.A. is experiencing unprecedented development. According to Carol E. Schatz, President and CEO of the DCBID, "With construction cranes spread across the whole of Downtown, no neighborhood or market segment is being left behind." Key findings in the report: nearly 10,000 residential units are currently under construction, of which 2,000 are for-sale condos; more than 2.1M square feet of retail is underway; more than 1.3M square feet of office is being constructed; and nearly 2,600 hotel rooms are in active development.

KEY Q1 2015 STATS:

Residential:

- 9,932 Residential Units Under Construction (2,001 Condos)
- Occupancy Rate Holds at 95%, Despite Delivering 553 New Apartments in Q1
- Average Condo Price Increased 13% over Q1 2014 to \$626 PSF

Office:

- 1,362,000 SF Under Construction
- 3rd Straight Quarter of Positive Net Absorption
- Vacancy decreased by 1.2 points from Q1 2014 to 19.4% in Q1
- Class-A Lease Rate increased to \$3.22 PSF from \$3.01 PSF in Q1 2014

Hospitality:

- 2,566 Rooms Under Construction
- 2015 YTD Occupancy Rate of 72.1%
- Current Hotel Rooms: 7,961

Retail:

- 2,103,400 SF Under Construction
- Vacancy Rate decreased to 7.2% from 7.4% in Q1 2014
- Three Projects, Each in Excess of 180,000 SF of Retail, Broke Ground in Q1 (Oceanwide Plaza, Broadway Trade Center, AT MATEO)

Highlighting the construction boom are three internationally-backed, \$1B mixed-use developments: Wilshire Grand Center, Metropolis and Oceanwide Plaza. With several \$500M

projects also well into the planning stages, the Downtown LA skyline will continue its incredible metamorphosis.

Other projects under construction:

- The BLOC – 450,000 square-foot outdoor retail development in Financial Center
- Freehand Hostel – The Sydell Group's trendy boutique hostel in Jewelry District
- The Desmond – Lincoln Property Company's renovation of an historic building in South Park into creative office space to house the headquarters of AEG LIVE
- The Broadway Trade Center in the Historic Core

Projects to convert historic buildings to creative office space expected to begin in 2015:

- The Coca Cola Building in the Arts District
- The Ford Factory in the Arts District
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"As we begin the 18th year in operation for the DCBID and the 17th year of the Downtown Renaissance, we are witnessing for the first time its economic vitality extend into every economic sector," said Schatz. "With commercial office and hospitality joining the ever growing residential and retail construction booms, Downtown is experiencing a level of development unimaginable just a few years ago," she added. And with the shift from investment to construction, the impact of Downtown Renaissance can be seen from far and wide.

The entire DCBID Q1 2015 Market Report can be viewed at: DowntownLA.com/Stats.

ABOUT THE DOWNTOWN CENTER BUSINESS IMPROVEMENT DISTRICT (DCBID)

The Downtown Center Business Improvement District (DCBID) has been the catalyst in Downtown Los Angeles' transformation into a vibrant 24/7 neighborhood. A coalition of nearly 1,700 property owners in the central business district, the DCBID members are united in their commitment to enhance the quality of life in Downtown Los Angeles. Bounded by the Harbor Freeway to the west, First Street to the north, Main and Hill streets to the east, and Olympic Boulevard to the south, the organization helps the 65-block central business district achieve its full potential as a great place to live, work, and play. For more than 16 years, the DCBID's programs and initiatives have been the driving force behind the Downtown Los Angeles Renaissance. Now universally recognized as one of the nation's most dynamic urban centers, downtown Los Angeles was recently heralded as 'The Next Great American City' by GQ Magazine and listed as number 5 in The New York Times' '52 Places to Go in 2014'.

For more information, visit www.downtownla.com.